

STAFF REPORT

Meeting Date: April 16, 2003

TO: LAFCO Commissioners

FROM: Everett Millais, Executive Officer

SUBJECT: Resolution Opposing the Elimination of the Open Space Subventions Program

RECOMMENDATION:

Adopt the attached resolution opposing the elimination of the Open Space Subventions Program

DISCUSSION:

One of the primary objectives of LAFCO is to preserve agricultural land resources. The Land Conservation Act of 1965, commonly known as the Williamson Act, was adopted as an extension of this state-wide objective. This Act, which was most recently amended in 1998 to include Farmland Security Zones, provides for a voluntary program that reduces property taxes to agricultural landowners in exchange for their contractual commitment with participating cities or counties to keep their land in agricultural or open space uses for at least 10 years (20 years for Farmland Security Zones).

To help offset the loss of property taxes to participating cities and counties, the Open Space Subvention Act was adopted in 1971. This Act established a formula for allocating payments to local governments based on the acreage enrolled in land conservation act contracts. Ventura County currently receives over \$300,000 annually in land conservation act subventions. This revenue encourages the County to continue to participate in the program and is used to support essential County services.

The Governor's proposed 2003-04 state budget provides for the permanent elimination of the Open Space Land Subvention Program. The elimination of this program is contrary to

COMMISSIONERS AND STAFF

COUNTY: Steve Bennett Kathy Long <i>Alternate:</i> Linda Parks	CITY: John Zaragoza, Vice Chair Evaristo Barajas <i>Alternate:</i> Don Waunch	SPECIAL DISTRICT: Jack Curtis Dick Richardson <i>Alternate:</i> Ted Grandsen	PUBLIC: Louis Cunningham, Chair <i>Alternate:</i> Kenneth M. Hess
EXECUTIVE OFFICER: Everett Millais	PLANNER III: Hollie Brunsky	CLERK: Debbie Schubert	LEGAL COUNSEL: Noel Klebaum

LAFCO's objectives as it could mean that the local government entities will be less likely to support and participate in land conservation act contracts. This would put more pressure on owners of agricultural land to convert their property to another use.

Both CALAFCO and the County of Ventura have gone on record in opposing the elimination of the Open Space Subvention Program as proposed in the Governor's budget for FY 2003-04. The recommended resolution for the Ventura LAFCO supports the effort to maintain this valuable program. If approved it will be forwarded to the Governor, local legislators, CALAFCO, and, as appropriate, to legislative committees involved in the budget process.

**A RESOLUTION OF
THE VENTURA LOCAL AGENCY FORMATION
COMMISSION OPPOSING THE GOVERNOR'S 2003-04
STATE BUDGET PROPOSAL TO PERMANENTLY
ELIMINATE THE OPEN SPACE SUBVENTION PROGRAM**

WHEREAS one of the primary objectives established by the legislature for Local Agency Formation Commissions in California is to preserve agricultural land resources; and

WHEREAS, both state and local regulatory and fiscal policies must support the preservation of agricultural land resources in order for LAFCO's objective to be achieved; and

WHEREAS, the California Land Conservation Act of 1965, popularly known as the Williamson Act, is a voluntary program which provides lower property taxes to agricultural landowners in exchange for their contractual commitments with participating cities or counties to keep their land in agricultural or open space uses for at least 10 years; and

WHEREAS, the Williamson Act currently protects over 16.3 million acres of agricultural land, much of it having scenic open space and wildlife value, and over half of the state's prime farmland in 52 counties is protected by the Act; and

WHEREAS, in 1998, the Act was amended to provide for the establishment of the Farmland Security Zones, commonly referred to as the Super Williamson Act, which allows landowners to receive an additional tax reduction if they keep the property in the conservation program for at least 20 years; and

WHEREAS, the 1971 Open Space Subvention Act provides a formula for allocating payments to local governments based on acreage enrolled in the program, to help replace the foregone property tax revenue to participating local government; and

WHEREAS, this financial support from the state has provided a tangible incentive for local governments to stay in the program and initiate more contracts; and

WHEREAS, in 1993, the Legislature and then-Governor Wilson augmented the open space subventions as a means to help rural counties deal with the creation of the Educational Revenue Augmentation Fund; and

WHEREAS, eliminating the open space subvention payments will remove the incentive for counties to participate in the program, potentially leading some counties to non-renew Williamson Act contracts due to the lack of financial resources to support the continuation of property tax incentives for landowners; and

WHEREAS, without the financial incentive for farmers to participate in this important land conservation program, other more lucrative land uses may be considered, thus threatening the overall viability of California's agricultural economy; and

WHEREAS, the integrity of the Williamson Act as a planning tool used to support general plan and zoning objectives, prevent leapfrog development and to promote orderly growth will be threatened; and

WHEREAS, Ventura County is currently party to over 1000 Land Conservation Act contracts covering over 130,000 acres of property; and

WHEREAS, the County of Ventura receives over \$300,000 annually on Land Conservation Act subventions, which represents an important revenue source used to support essential County services, and

WHEREAS, the loss of this funding due to the possible elimination of the Open Space Subvention Program is contrary to the objective for LAFCOs;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Ventura Local Agency Formation Commission hereby opposes the proposed elimination of the Open Space Act Subventions Program and urges the Governor and Members of the State Legislature to restore subvention funding to the 2003-04 State Budget, thus preventing the potential decimation of the state's premier farmland protection program.

This resolution was adopted on April 16, 2003.

AYES:

NOES:

ABSTAINS:

Dated: _____

Chair, Ventura Local Agency Formation Commission